



(Pictured from left to right) Micki Jones, Operations Manager, Jonathan Crawford, summer student intern, Dick Goldman, and Mike Metzger, Controller, review transmission costs for area switch. (Photo by Craig Terkowitz)

PROFILE: "A SHORT CIRCUIT TO SUCCESS"

"The name Dick Goldman might not ring a bell with people right away. But chances are in the near future, either he or his telephone service will..." Thus starts a recent story in the Baltimore Jewish Times (January 21, 1983) about Dick and the "multi-million dollar business" he founded. The article traces Dick's background from his service in the Air Force working in communications to his experiences as Boy Scout leader, religious school teacher, youth group organizer, and camp director. It explains how he first got involved with discount long-distance several years ago by buying a code from Sprint and sharing it with nine friends.

Dick recognized a real opportunity. "I did some math and I figured that if every friend had two friends, we could have 100 people with one code and end up with a profit. It took us nine months to get 100 people. The second hundred took six months, and the third hundred took three months. I saw it coming and I realized that this could be a business. I called Robert Glaser, a brilliant engineer. He agreed to do it with me. We started negotiating with SPC and signed an agreement to resell Sprint." It was at this time that Dick resigned from the Jewish Community Center as its camp director.

The article continues, "And now Goldman...is finding the business world of growth and profits much to his liking...Telesaver's outlook is bright, and Goldman said he is even thinking of diversifying."

"This is a whole new world and nobody knows where it's going," Goldman says. "I'm going for a ride with it. I enjoy the problems. I enjoy meeting challenges. Right now we're riding a crest. And I hope it stays that way."



DICK GOLDMAN "STARS" ON CABLE TV

Telesaver President Dick Goldman was invited to appear on "The American Investor," a series shown on the National Satellite Cable Network. On January 13, 1983, Dick flew to Orlando, Florida, to tape a segment of the show, which a potential 12 million people throughout the country had an opportunity to view the following weekend.

"It was a whirlwind trip," says Dick, "and very exciting. A good experience. They put make-up on me and it was all done very professionally." The taping took place in a studio in Cocoa Beach, Florida, the largest TV studio in the U.S. other than studios in New York and Hollywood.

This particular segment of "The American Investor" profiled Telesaver and the opportunities our company can offer in terms of joint ventures and partnerships. Dick was supposed to tape only one 10-minute segment, but it went so well that the producer arranged for him to tape a second segment right then and there! There is some talk about having him return for future shows, also.

OPEN HOUSE AT TELESAYER

It was a wonderful day! The holiday spirit was in the air on December 30th, when Telesaver employees and their spouses and 40 other assorted guests (sales reps, shareholders, bankers, vendors) gathered at headquarters for a New Year celebration. Good food and good friends added up to a good time for all! It's possible that open house at Telesaver could become an annual event.

WELCOME ABOARD

New employees at Telesaver's headquarters this month include: Paul Savitsky, collections manager; Robin Eick, evening switchboard operator; Debbie Rombro, clerical assistant; Elaine Overtoom, customer service representative; Denise Beavin, assistant in codes and credit department; Micki Jones, operations manager; and Lawrence Woolfson, expeditor.

TELESAYER'S "OLDEST" EMPLOYEE

Christie Harmon came to work for Telesaver on November 13, 1980. She was seventeen, still in high school, and Telesaver's first employee.

"Dick called my high school looking for a student to work for him. I was the best business student there, really good at typing, and I had worked with computers," Christie says. Telesaver, then called "Consumer Alternatives," was housed in Dick Goldman's basement.

"Dick was still working at the Jewish Community Center as its director of camps. I worked part time, 3 days a week. We had a table and two chairs for office equipment! But we did have customers. At least 600 by January 19, 1981. After about 6 months we moved into a one-room office. I was still working alone with Dick. I did everything from billing through credits, opening mail, and writing checks.

By October 19, 1981, other employees had begun to arrive. Within a short time departments began crystallizing, and Christie found the scope of her work narrowing. When Michael Metzger was hired as Controller for Telesaver, Christie became his assistant.

"I now take care of accounts receivables and accounts payables, commissions for sales reps, writing checks, and ordering equipment for resale," says Christie. When asked if she misses the "old times" when the company was small, Christie admits that she misses not knowing everything that goes on now at Telesaver.

"But I'm happy where I am. I've learned a lot and grown up a lot working here. I've been given quite a bit of responsibility. In fact, I think I'm the most fortunate 19 year-old around to hold such a high position in a growing company."

About Telesaver's phenomenal growth, Christie has this to say: "It's wild. It's exciting. And you know, Telesaver has never stopped growing. There haven't been any plateaus - it's all been up, and up fast!"

As for herself, Christie plans on staying with the company. "I'll be here for as long as they keep me," she says.

KNOW THE COMPETITION!

MCI is the largest O.C.C. (Other Common Carrier) providing discount long-distance phone service. Available in approximately 270 metropolitan areas, it offers service to both business and residential customers. But bigger is not always better, as is evident when you compare MCI's rates and features to Telesaver's.

Effective January, 1983, MCI increased its rates for calls covering distances of less than 70 miles. In addition, rates for evening, night, and weekend calls were increased by about 5%.

MCI recently initiated OMNI-CALL, their name for "universal" service. Charges for calls to "off-network" areas are higher than calls to "on-network" cities of the same distance. For example, customers save 15%-50% on calls to areas currently served by MCI; on calls placed to other cities, MCI offers savings that average only 11% versus Bell. Comparatively, Telesaver's discounts off Bell's direct-dial rates are consistent for ALL calls from Universal areas: 20%-75%.

MCI's business service, EXECUNET, offers subscribers two choices. For the smaller user, there is a \$10 per month service charge. The larger user can opt for no service charge, but must meet a minimum usage requirement of \$75 per month. To "on-network" cities, MCI provides average savings of 20% during the business day, 35% during the evening, and 25% during night and weekend periods, compared with AT&T direct-dialing. To "off-network" cities, savings average only about 11%.

MCI's residential service, SUPER SAVER, is available only between 4 p.m. and 10 a.m., Monday through Friday, as well as 24 hours on weekends. The cost of this part-time service is \$5 per month. The same rate schedules prevail.

MCI offers a "credit card" service for travelers for an additional \$5 per month, which permits access from approximately 40 cities to any phone in the United States. Subscribers to the travel portion of the service save only about 30% when compared with a similar call placed with an AT&T Calling Card.

FOR YOUR INFORMATION...

***Our switchboard at the national office is now open until 8 p.m., Monday through Thursday.

***Every customer who cancels Telesaver service receives a personal phone call from our office or from an area office. This is a good customer service practice and helps us to understand real or potential problems. We find that most cancellations are not from dissatisfied, disgruntled customers, but from customers who find they just don't need the service anymore. College children who move back home and relatives who move to areas not on the network are two reasons given. Many of the cancellations, however, have been from customers who live in Florida where our suppliers' lines are constantly overloaded and the switch is difficult to access.

***Area Managers will receive a weekly printout of all new accounts and all cancellations for their respective areas.

***Customers in Universal areas can call Telesaver National Headquarters TOLL-FREE, by dialing their local access number, then 1-2-3, 1-2-3, star (*).

***When you call the Columbia, Maryland, office, there's a new voice on the other end of the line. Peggy Belazs is the new customer service representative for Baltimore and Washington area customers. With the increased customer base, and anticipation of a 108-path switch next month, Peggy's assistance is taking a big load off Juli and Marshall.

EDITOR'S NOTE: I'd like to thank Julie Whitcomb and Marshall Sapperstein for their contributions to this month's issue of the Telesaver Exchange. A special thank-you to Egon Kafka for his unique sales idea and other ideas for future newsletters. We welcome any and all suggestions and will give credit to any that are printed in the Exchange. Won't you share your "secrets of success" with other sales reps around the country?

BELL OPERATING COMPANIES PRESENT CONFERENCE

It was an historic event, and Telesaver's Dick Goldman, Robert Chertkof and Walt Anderson were there. On January 19 and 20, all Bell Operating Companies (BOCS) in the country held a two-day conference in Atlanta, Georgia, for non-AT&T carriers (OCC's) and resellers of long-distance phone service. It was the first time that the "Baby" Bells stood alone without their "parent," AT&T, and a first step in preparation for the scheduled divestiture in January 1984. Approximately 300 people were in attendance, including representatives from the U.S. Justice Department who were there to monitor compliance with the divestiture order.

"The BOCS extended the hand of friendship," relates Bob Chertkof. "They made it clear that they are here to serve our industry, and wanted to know from us how that could be accomplished effectively. They agreed to consider modifying any procedures that might better serve our customer's interests."

By law, as of January 1, 1984, the BOCS will not be able to transmit calls between LATAS (Local Access and Transport Areas), which are geographical calling areas within states. Within a calling area, only local service will come from the BOC. But between the calling areas, all calls will be handled by AT&T or a competitor, such as Telesaver, MCI, or Sprint. This means that the OCC's are essential to the completion of a call--not merely an alternative.

The conference emphasized the willingness and desire of the BOCS to work closely with AT&T's competitors. We look forward to a close working relationship, which will be mutually beneficial for everyone.

The logo for Telesaver, featuring the word "Tele" in a stylized font with a horizontal line above the "e", followed by "saver" in a bold, sans-serif font.

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Telesaver Exchange